

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code
Firm Fixed Price

Page 1 Of 11

2. Amendment/Modification No.

75

3. Effective Date

2013AUG30

4. Requisition/Purchase Req No.

SEE SCHEDULE

5. Project No. (If applicable)

6. Issued By

U.S. ARMY CONTRACTING COMMAND
DAVID W. DANIELS
WARREN, MICHIGAN 48397-5000
HTTP://CONTRACTING.TACOM.ARMY.MIL

EMAIL: DAVID.W.DANIELS2@US.ARMY.MIL

Code

W56HZV

7. Administered By (If other than Item 6)

DCMA DETROIT
35803 MOUND ROAD
STERLING HEIGHTS MI 48310

Code

S2305A

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)

GENERAL DYNAMICS LAND SYSTEMS INC.
38500 MOUND RD
STERLING HEIGHTS, MI 48310-3200

9A. Amendment Of Solicitation No.

9B. Dated (See Item 11)

10A. Modification Of Contract/Order No.

W56HZV-06-G-0006/0004

10B. Dated (See Item 13)

2006AUG17

Code 7W356

Facility Code

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers

is extended, is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods:
(a) By completing items 8 and 15, and returning _____ copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. **FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.** If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required)

SEE SECTION G (IF APPLICABLE)

**13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS
It Modifies The Contract/Order No. As Described In Item 14.**

- A. This Change Order is Issued Pursuant To: _____ The Changes Set Forth In Item 14 Are Made In _____
The Contract/Order No. In Item 10A.
- B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b).
- C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: 52.243-1
- D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return _____ copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

SEE SECOND PAGE FOR DESCRIPTION

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

| | | | |
|---|------------------|--|------------------|
| 15A. Name And Title Of Signer (Type or print) | | 16A. Name And Title Of Contracting Officer (Type or print) | |
| | | LISA M. JONES LISA.M.JONES3@US.ARMY.MIL (586)282-6973 | |
| 15B. Contractor/Offeror | 15C. Date Signed | 16B. United States Of America | 16C. Date Signed |
| _____ (Signature of person authorized to sign) | | By _____ /SIGNED/ (Signature of Contracting Officer) | 2013AUG30 |

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

SECTION A - SUPPLEMENTAL INFORMATION

Buyer Name: DAVID W. DANIELS
 Buyer Office Symbol/Telephone Number: CCTA-ACP-A/(586)282-4865
 Type of Contract: Firm Fixed Price
 Kind of Contract: System Acquisition Contracts
 Type of Business: Large Business Performing in U.S.
 Surveillance Criticality Designator: A
 Weapon System: Tank, M1 Abrams Family of Vehicles

*** End of Narrative A0000 ***

1. The purpose of this bilateral modification 75 is to

a) Incorporate final ANAD Part shortages reconciliation agreement for Delivery Order 0004 W56HZV-06-G-0006; and

b) Deobligate excess funds from 0004AD

2. FINAL ANAD PARTS RECONCILIATION: This Modification incorporates the final ANAD Part Shortage reconciliation agreement.

Previous Modification 45 of DO 0004, Narrative A0071 Paragraph 2a states: The contractor shall submit a firm fixed price (FFP) proposal to resolve all remaining ANAD part shortages under this Order. This final proposal shall either include a credit due to the USG for the value negotiated for ANAD parts not provided or the delivery of such parts. Execution of a modification definitizing this proposal shall finally settle all obligations under the ANAD Part Shortages Mods and any unbilled values thereunder shall be due and payable.

In accordance with Modification 45 DO 0004, Narrative A0071 Paragraph 2a, all remaining part shortage actions are resolved in accordance with the negotiations resulting from the contractors final reconciliation proposal S-0954-R122. The parties agree that there is a decrease of \$646,811 to the contract price as a result of this reconciliation. However, Modification 73 already deobligated \$54,414 of this settlement amount (from SubCLIN 0004AA). Therefore this Modification 75 will deobligate the remaining amount of \$592,397.

a. There is no change to Performance Based Payment Plan as a result of this final ANAD Parts reconciliation.

b. To incorporate the credit, the SubCLIN 0004AB is decreased by (\$592,397).

c. This Modification 75 replaces Billing instructions for ANAD Parts shortage actions. The following paragraphs are deleted from the contract: G.3, G.4, G.5, G.6, G.7, G.9, G.10, G.11, G.12, G.13, G.14, G.15 and replaced with:

G.16 BILLING INSTRUCTIONS FOR ANAD PARTS SHORTAGES (CLIN 0004 and 0005AT)

The contractor is authorized to bill the Government on a 2 in 1 (service) invoice through WAWF under the SLINs and ACRNs identified below in the total amount of \$8,827,807.10 in accordance with the ANAD final parts reconciliation settlement per Modification 75.

| SLIN | ACRN | Amount | Original Mod # |
|--------|------|-----------------|---------------------------------------|
| 0004AB | AH | \$ 124,404.92 | 17, 27, 58(see G.16.1 and 16.2 below) |
| 0005AT | AC | \$ 391,338.18 | 23 |
| 0004AC | AM | \$ 242,533.00 | 28 |
| 0004AD | AL | \$ 419,409.00 | 30, 32, 48, 49 |
| 0004AE | AL | \$ 192,878.00 | 33 |
| 0004AF | AN | \$ 335,281.00 | 50 |
| 0004AG | AN | \$ 52,520.00 | 53 |
| 0004AH | AN | \$ 2,373,951.00 | 54 |
| 0004AJ | AN | \$ 466,660.00 | 59 |
| 0004AK | AP | \$ 119,058.00 | 59 |
| 0004AL | AP | \$ 2,903,836.00 | 60 |
| 0004AM | AP | \$ 950,701.00 | 61 |
| 0004AN | AP | \$ 98,254.00 | 62 |
| 0004AP | AP | \$ 92,225.00 | 63 |
| 0004AQ | AP | \$ 14,161.00 | 67 |
| 0004AR | AQ | \$ 50,597.00 | 70 |
| Total | | \$ 8,827,807.10 | |

| | | |
|---------------------------|--|---------------------|
| CONTINUATION SHEET | Reference No. of Document Being Continued | Page 3 of 11 |
| | PIIN/SIIN W56HZV-06-G-0006/0004 MOD/AMD 75 | |

Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.

G.16.1 Mod 27 previously authorized the contractor to bill a total amount of \$44,160 on SubCLIN 0004AA ACRN AB, however Modification 75 revises those instructions per the following: The contractor is authorized to bill this amount to SubCLIN 0004AB, ACRN AH.

G.16.2 Mod 58 previously authorized the contractor to bill a total amount of \$10,254 on SubCLIN 0004AA ACRN AB, however Modification 75 revises those instructions per the following: The contractor is authorized to bill this amount to SubCLIN 0004AB, ACRN AH.

The contractor is authorized to invoice in accordance with newly established G.16.

d. The contractor acknowledges and agrees that this Modification 75 represents the complete and final settlement of all ANAD Part shortages. The contractor waives any and all further claims for equitable adjustments resulting from any and all further ANAD Part shortage actions under this Delivery Order 0004.

3. DEOBLIGATE EXCESS FUNDS: this Modification 75 also deobligates excess funds from SubCLIN 0004AD, ACRN AL. The parties agree that \$30,591 is in excess of billings. Therefore this modification deobligates these funds.

4. As a result of this modification, the following changes are made to the contract:

SLIN 0004AB: decreased by (\$592,397)

SLIN 0004AD: decreased by (\$30,591)

Section G: Deleted G.3, G.4, G.5, G.6, G.7, G.9, G.10, G.11, G.12, G.13, G.14, G.15

Section G: corrected an incorrect CLIN reference in G.8

Section G: Added: G.16

5. As a result of this modification, the contract price is decreased by \$622,988 from \$385,188,464.54 to \$384,565,476.54.

6. Except as stated herein, all other terms and conditions remain in full force and effect.

*** END OF NARRATIVE A0105 ***

CONTINUATION SHEET

Reference No. of Document Being Continued
PIIN/SIIN W56HZV-06-G-0006/0004 **MOD/AMD** 75

Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.

| ITEM NO | SUPPLIES/SERVICES | QUANTITY | UNIT | UNIT PRICE | AMOUNT |
|---------|-------------------|----------|------|------------|--------|
| | | | | | |

CONTINUATION SHEET**Reference No. of Document Being Continued**

Page 7 of 11

PIIN/SIIN W56HZV-06-G-0006/0004

MOD/AMD 75

Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.

SECTION G - CONTRACT ADMINISTRATION DATA

SECTION G

G.1. PERFORMANCE BASED PAYMENTS

G.1.1. The parties agree to change the form of contract financing from Progress Payments to Performance Based Payments pursuant to FAR 52.232-32.

G.1.2. Performance Based Payments will be made on the whole contract less any scope or separately funded requirements identified in this section. The parties have identified two major categories of events or milestones the Contractor is required to meet to trigger a finance payment. These two major categories of events are:

1. Material Received
2. Marriage of Hulls and Turrets

G.1.2.1 Each Event and what constitutes successful performance, is described in the following paragraphs. The schedules and event values for successful performance are contained in appropriate attachments. The contractor is authorized payment for meeting an event up to 30 days in advance of the planned event schedule. The contractor shall request an early payment no more than 5 times throughout the life of the contract.

G.1.2.2. The Government and the Contractor acknowledge the potential need to reevaluate the existing milestone plan that supports the Contractor performance-based payment request. Therefore, the two parties agree to perform a reevaluation of the contractually established milestone schedule in the event of an excusable delay or when either party feels it is appropriate to do so, in order to validate the accuracy of the milestone schedule. If it is mutually agreed that there is a deficiency in the accuracy of the contractually established milestone plan, as a result of the reevaluation, then the Government and the Contractor agree to reopen negotiations to establish an accurate milestone schedule.

G.1.2.3. The expected dates noted on Exhibit D are the dates both parties expect to achieve the milestone event.

G.1.3. PERFORMANCE EVENTS

G.1.3.1. Material Received. Receipt of material at the Contractors plant(s) is a performance measurement. The event schedule and values are provided in Exhibit D. The Material Received Event is successfully completed when the contractor has received the percentage of material noted in Exhibit D and is represented by the receipt of critical or major subassemblies as identified in Exhibit D.

G.1.3.2. Marriage of Hull and Turret. The marriage of the hull and turret is a performance measurement. The event schedule and values are provided in Exhibit D. The Marriage Event is successfully completed when the scheduled number of turrets and hulls have been physically married together as a single unit.

G.1.3.2.1. If the contractor misses a milestone because of GFM issues (i.e. late, does not meet specification), the contractor is entitled to the milestone payment assuming all critical conditions (i.e. have to be complete prior to marriage) have been met.

G.1.5. LIQUIDATION RATE

G.1.5.1. The Liquidation Rate for this contract is changed from 80% to 90%. The parties agree to this change in liquidation rate due to the implementation of performance based payments. FAR 52.232-32 and the information provided in this section in no way limit the Government's rights pursuant to the "Inspection of Supplier-Fixed Price" clause of the contract.

G.1.6. CONTRACT REGULATORY REQUIREMENTS

G.1.6.1. Performance Based Payments under this provision G.1. is subject to the terms and conditions of this contract, and FAR 32.1005 and FAR 52.232-32 "Performance-Based Payments" (Feb 2002). In addition, for subcontractors receiving finance payments from the Contractor under this Order, the following applies:

(a) Financing payments to subcontractors. Finance payments to subcontractors shall be all financing payments to subcontractors or divisions, if the following conditions are met:

(1) The amounts included are limited to --

- (i) The unliquidated remainder of financing payments made; plus
- (ii) Any unpaid subcontractor requests for financing payments.

(2) The subcontract or interdivisional order is expected to involve a minimum of approximately 6 months between the beginning of work and the first delivery, or, if the subcontractor is a small business concern, 4 months.

(3) If the financing payments are in the form or progress payments, the terms of the subcontract or interdivisional order concerning progress payments --

- (i) Are substantially similar to the terms of the clause for any subcontractor that is a large business concern, or that clause

Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.

with its Alternate I for any subcontractor that is a small business concern;

(ii) Are at least as favorable to the Government as the terms of this clause;

(iii) Are not more favorable to the subcontractor or division than the terms of this clause are to the Contractor;

(iv) Are in conformance with the requirements of FAR 32.504(e); and

(v) Subordinate all subcontractor rights concerning property to which the Government has title under the subcontract to the Government's right to require delivery of the property to the Government if --

(A) The Contractor defaults; or

(B) The subcontractor becomes bankrupt or insolvent.

(4) If the financing payments are in the form of performance-based payments, the terms of the subcontract or interdivisional order concerning payments--

(i) Are substantially similar to the Performance-Based Payments clause at FAR 52.232-32 and meet the criteria for, and definition of, performance-based payments in FAR Part 32;

(ii) Are in conformance with the requirements of FAR 32.504(f); and

(iii) Subordinate all subcontractor rights concerning property to which the Government has title under the subcontract to the Government's right to require delivery of the property to the Government if--

(A) The Contractor defaults; or

(B) The subcontractor becomes bankrupt or insolvent.

(5) If the financing payments are in the form of commercial item financing payments, the terms of the subcontract or interdivisional order concerning payments--

(i) Are constructed in accordance with FAR 32.206(c) and included in a subcontract for a commercial item purchase that meets the definition and standards for acquisition of commercial items in FAR Part 2 and 12;

(ii) Are in conformance with the requirements of FAR 32.504(g); and

(iii) Subordinate all subcontractor rights concerning property to which the Government has title under the subcontract to the Government's right to require delivery of the property to the Government if--

(A) The Contractor defaults; or

(B) The subcontractor becomes bankrupt or insolvent.

(6) If financing is in the form of progress payments, the progress payment rate in the subcontract is the customary rate used by the contracting agency, depending on whether the subcontractor is or is not a small business concern.

(7) Concerning any proceeds received by the Government for property to which title has vested in the Government under the subcontract terms, the parties agree that the proceeds shall be applied to reducing any unliquidated financing payments by the Government to the Contractor under this contract.

(8) If no unliquidated financing payments to the Contractor remain, but there are unliquidated financing payments that the Contractor has made to any subcontractor, the Contractor shall be subrogated to all the rights the Government obtained through the terms required by this clause to be in any subcontract, as if all such rights had been assigned and transferred to the Contractor.

(9) To facilitate small business participation in subcontracting under this contract, the Contractor shall provide financing payments to small business concerns, in conformity with the standards for customary contract financing payments stated in Subpart 32.113. The Contractor shall not consider the need for such financing payments as a handicap or adverse factor in the award of subcontracts.

G.1.7. Contract Financing of any type does not apply to CLINs entitled Damaged or Defective Government Material (CLIN 0003AA).

G.1.8. The contractor acknowledges Progress Payments were awarded on this effort. In order to transition to Performance-Based Payments (PBP), the contractor shall decrement its first PBP invoice submission for actual Progress Payments received.

G.1.9 CONTRACT MODIFICATIONS

G.1.9.1 The Contractor and the Government recognize a need may arise where modifications to this contract may require revisions to the contracted PBP's.

G.1.9.2 In an effort to minimize the administrative burdens associated with such actions, the following parameters provide the Parties with guidance:

(a) PBP's will be revised for contractual modifications or cumulative contractual modifications/adjustments with a threshold equal to or greater than Five Million (\$5,000,000) Dollars.

(b) Modifications to PBP's will be made once per quarter for contractual modifications/adjustments with a threshold equal to or greater than the Five Million (\$5,000,000) Dollar threshold.

(c) The Five Million (\$5,000,000) Dollar threshold is cumulative and additive over multiple quarters.

(d) As appropriate and mutually agreed the Parties will either add the modification/adjustment dollars into existing events, or add event(s) to reflect the change in performance.

G.2 BILLING INSTRUCTIONS FOR ECP GDLU 9515 ENGINE MEMORY UNIT (EMU) INTEGRATION KIT (SLIN 0005AM)

| | | |
|---------------------------|--|----------------------|
| CONTINUATION SHEET | Reference No. of Document Being Continued PIIN/SIIN W56HZV-06-G-0006/0004 MOD/AMD 75 | Page 10 of 11 |
|---------------------------|--|----------------------|

Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.

All terms and conditions and contract clauses specific to Section G of the BOA W56HZV-06-G-0006 are incorporated by reference into this Order W56HZV-06-G-0006/0004.

* Added by modification 75

CONTINUATION SHEET

Reference No. of Document Being Continued

Page 11 of 11

PIIN/SIIN W56HZV-06-G-0006/0004

MOD/AMD 75

Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.

*** END OF NARRATIVE G0001 ***

| LINE | PRON/ AMS CD/ ITEM | OBLG STAT | JO NO/ ACCT ASSIGN | ACRN | PRIOR AMOUNT | INCREASE/ DECREASE | CUMULATIVE AMOUNT |
|--------|---|--------------|-----------------------|-------|---------------|-----------------------|----------------------|
| 0004AB | 478AIM9447 137010NC000 H18GA137ABMS | 2 | 8GA137 | AH \$ | 716,801.92 \$ | -592,397.00 \$ | 124,404.92 |
| 0004AD | 479AIM1247 13519700000 H19GA135ABMS | 2 | 9GA15C | AL \$ | 450,000.00 \$ | -30,591.00 \$ | 419,409.00 |
| | | | | | NET CHANGE \$ | -622,988.00 | |

| ACRN | ACCOUNTING CLASSIFICATION | INCREASE/ DECREASE |
|-------|------------------------------------|---------------------------|
| AH 21 | 82020000085R5R02P13701025FB S20113 | \$ -592,397.00 |
| AL 21 | 92020000095R5R02P13519731E9 S20113 | \$ -30,591.00 |
| | | NET CHANGE \$ -622,988.00 |

| | PRIOR AMOUNT OF AWARD | INCREASE/DECREASE AMOUNT | CUMULATIVE OBLIG AMT |
|-----------------------|--------------------------|-----------------------------|-------------------------|
| NET CHANGE FOR AWARD: | \$ 385,188,464.54 | \$ -622,988.00 | \$ 384,565,476.54 |

| LINE | ACRN | EDI/SFIS ACCOUNTING CLASSIFICATION |
|--------|-------|--|
| 0004AB | AH 21 | 080820200000 S20113 85R5R02137010NC00025FB 8GA137S20113 W56HZV |
| 0004AD | AL 21 | 090920200000 S20113 95R5R021351970000031E9 9GA15CS20113 W56HZV |